



**DEPARTMENT OF THE TREASURY  
Office of the Comptroller of the Currency**

**FEDERAL RESERVE SYSTEM**

**FEDERAL DEPOSIT INSURANCE CORPORATION**

**Proposed Agency Information Collection Activities; Comment Request**

**AGENCIES:** Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); and Federal Deposit Insurance Corporation (FDIC).

**ACTION:** Joint notice and request for comment.

**SUMMARY:** In accordance with the requirements of the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. chapter 35), the OCC, the Board, and the FDIC (the agencies) may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The agencies, under the auspices of the Federal Financial Institutions Examination Council (FFIEC), have approved the publication for public comment of proposed revisions to the risk-weighted assets portion of Schedule RC-R, Regulatory Capital, and to line items related to securities lent and borrowed in Schedule RC-L, Derivatives and Off-Balance Sheet Items, in the Consolidated Reports of

Condition and Income (Call Report or FFIEC 031 and FFIEC 041). The proposed revisions to the Call Report are consistent with the revised regulatory capital rules published by the agencies (revised regulatory capital rules).<sup>1</sup>

For all institutions required to file the Call Report, the proposed revised risk-weighted assets portion of Schedule RC-R and the proposed changes to Schedule RC-L would take effect as of the March 31, 2015, report date.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the FFIEC and the agencies should modify the proposed reporting revisions prior to giving final approval. The agencies will then submit the proposed reporting revisions to OMB for review and approval.

**DATES:** Comments must be submitted on or before [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Interested parties are invited to submit written comments to any or all of the agencies. All comments, which should refer to the OMB control number(s), will be shared among the agencies.

OCC: Commenters are encouraged to submit comments by e-mail. Please use the title “FFIEC 031 and 041” to facilitate the organization and distribution of the comments. You may submit comments by any of the following methods:

- E-mail: [regs.comments@occ.treas.gov](mailto:regs.comments@occ.treas.gov).

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<sup>1</sup> 78 FR 62018 (Oct. 11, 2013) (OCC and Board) and 78 FR 55340 (Sept. 10, 2013) (FDIC).

- Mail: Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 400 7<sup>th</sup> Street, SW., Suite 3E-218, Mail Stop 9W-11, Washington, DC 20219.
- Hand Delivery/Courier: 400 7<sup>th</sup> Street, SW., Suite 3E-218, Mail Stop 9W-11, Washington, DC 20219.
- Fax: (571) 465-4326.

Instructions: You must include “OCC” as the agency name and “FFIEC 031 and 041” in your comment. In general, OCC will enter all comments received into the docket and publish them on the Regulations.gov Web site without change, including any business or personal information that you provide such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You may personally inspect and photocopy comments at the OCC, 400 7<sup>th</sup> Street, SW., Washington, DC. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Board: You may submit comments, which should refer to “FFIEC 031 and FFIEC 041,” by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at: <http://www.federalreserve.gov/apps/foia/proposedregs.aspx#icp>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Email: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov). Include reporting form number in the subject line of the message.
- Fax: (202) 452-3819 or (202) 452-3102.
- Mail: Robert DeV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW., Washington, DC 20551.

All public comments are available from the Board's web site at

[www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm](http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm) as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room MP-500 of the Board's Martin Building (20th and C Streets, NW.) between 9:00 a.m. and 5:00 p.m. on weekdays.

FDIC: You may submit comments, which should refer to "FFIEC 031 and FFIEC 041," by any of the following methods:

- Agency Web Site: <http://www.fdic.gov/regulations/laws/federal/propose.html>.  
Follow the instructions for submitting comments on the FDIC Web site.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

- Email: [comments@FDIC.gov](mailto:comments@FDIC.gov). Include “FFIEC 031 and FFIEC 041” in the subject line of the message.
- Mail: Gary A. Kuiper, Counsel, Attn: Comments, Room NYA-5046, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.
- Hand Delivery: Comments may be hand delivered to the guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7 a.m. and 5 p.m.

Public Inspection: All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal/propose.html> including any personal information provided. Comments may be inspected at the FDIC Public Information Center, Room E-1002, 3501 Fairfax Drive, Arlington, VA 22226, between 9 a.m. and 5 p.m. on business days.

Additionally, commenters may send a copy of their comments to the OMB desk officer for the agencies by mail to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW., Washington, DC 20503; by fax to (202) 395-6974; or by email to [oir\\_submission@omb.eop.gov](mailto:oir_submission@omb.eop.gov).

**FOR FURTHER INFORMATION CONTACT:** For further information about the proposed revisions to the Call Report discussed in this notice, please contact any of the agency clearance officers whose names appear below. In addition, copies of the

proposed revised FFIEC 031 and FFIEC 041 forms and instructions can be obtained at the FFIEC's web site ([http://www.ffiec.gov/ffiec\\_report\\_forms.htm](http://www.ffiec.gov/ffiec_report_forms.htm)).

OCC: Mary H. Gottlieb and Johnny Vilela, OCC Clearance Officers, (202) 649-5490, for persons who are deaf or hard of hearing, TTY, (202) 649-5597, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 400 7th Street, SW., Washington, DC 20219.

Board: Cynthia Ayouch, Federal Reserve Board Clearance Officer, (202) 452-3829, Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may call (202) 263-4869.

FDIC: Gary A. Kuiper, Counsel, (202) 898-3877, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW., Washington, DC 20429.

**SUPPLEMENTARY INFORMATION:** The agencies are proposing to revise and extend for three years the Call Report, which is currently an approved collection of information for each agency.

*Report Title:* Consolidated Reports of Condition and Income (Call Report).

*Form Number:* Call Report: FFIEC 031 (for banks and savings associations with domestic and foreign offices) and FFIEC 041 (for banks and savings associations with domestic offices only).

*Frequency of Response:* Quarterly.

*Affected Public:* Business or other for-profit.

**OCC:**

*OMB Number:* 1557-0081.

*Estimated Number of Respondents:* 1,675 national banks and federal savings associations.

*Estimated Time per Response:* 59.64 burden hours per quarter to file.

*Estimated Total Annual Burden:* 399,588 burden hours to file.

**Board:**

*OMB Number:* 7100-0036.

*Estimated Number of Respondents:* 846 state member banks.

*Estimated Time per Response:* 60.07 burden hours per quarter to file.

*Estimated Total Annual Burden:* 203,277 burden hours to file.

**FDIC:**

*OMB Number:* 3064-0052.

*Estimated Number of Respondents:* 4,237 insured state nonmember banks and state savings associations.

*Estimated Time per Response:* 44.74 burden hours per quarter to file.

*Estimated Total Annual Burden: 758,254 burden hours to file.*

The estimated time per response for the quarterly filings of the Call Report is an average that varies by agency because of differences in the composition of the institutions under each agency's supervision (e.g., size distribution of institutions, types of activities in which they are engaged, and existence of foreign offices). The average reporting burden for the filing of the Call Report as it is proposed to be revised is estimated to range from 20 to 775 hours per quarter, depending on an individual institution's circumstances.

### **General Description of Reports**

The Call Report information collections are mandatory for the following institutions: 12 U.S.C. 161 (national banks), 12 U.S.C. 324 (state member banks), 12 U.S.C. 1817 (insured state nonmember banks), and 12 U.S.C. 1464 (savings associations) (collectively, Call Report filers). At present, except for selected data items, the Call Report information collections are not given confidential treatment.

### **Abstract**

Institutions submit Call Report data to the agencies each quarter for the agencies' use in monitoring the condition, performance, and risk profile of individual institutions and the industry as a whole. Call Report data provide the most current statistical data available for evaluating institutions' corporate applications, identifying areas of focus for on-site and off-site examinations, and monetary and other public policy purposes. The agencies use Call Report data in evaluating interstate merger and acquisition applications to determine, as required by law, whether the resulting institution would control more



than ten percent of the total amount of deposits of insured depository institutions in the United States. Call Report data also are used to calculate institutions' deposit insurance and Financing Corporation assessments and national banks' and federal savings associations' semiannual assessment fees.

## **Current Actions**

### **I. Overview of the Proposed Changes**

#### **A. Summary of Proposed Changes**

Call Report Schedule RC-R collects regulatory data on tier 1, tier 2, and total capital and regulatory capital ratios (regulatory capital components and ratios portion) and on risk-weighted assets (risk-weighted assets portion). On January 14, 2014, the agencies published a final PRA notice in the Federal Register pertaining to their submissions to OMB for review and approval of revised reporting requirements for the regulatory capital components and ratios portion of Call Report Schedule RC-R, consistent with the revised regulatory capital rules.<sup>2</sup> The agencies are proposing at this

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<sup>2</sup> For report dates in 2014, the regulatory capital components and ratios portion of Schedule RC-R will be designated Parts I.A and I.B. Call Report filers that are not advanced approaches institutions will file Part I.A, which includes existing data items 1 through 33 of current Schedule RC-R. Call Report filers that are subject to the advanced approaches and to the revised regulatory capital rules effective January 1, 2014, will file Part I.B, which includes the revised reporting requirements consistent with the revised regulatory capital rules. In March 2015, Part I.A would be removed and Part I.B would be designated Part I; all Call Report filers would then submit Part I. See 79 FR 2527 (Jan. 14, 2014) for the revised regulatory reporting requirements.

An advanced approaches institution as defined in section 100 of the agencies' revised regulatory capital rules (i) has consolidated total assets (excluding assets held by an insurance underwriting subsidiary) on its most recent year-end regulatory report equal to \$250 billion or more; (ii) has consolidated total on-balance sheet foreign exposure on its most recent year-end regulatory report equal to \$10 billion or more (excluding exposures held by an insurance underwriting subsidiary), as calculated in accordance with the FFIEC 009 Country Exposure Report; (iii) is a subsidiary of a depository institution that uses the advanced approaches pursuant to subpart E of 12 CFR part 3 (OCC), 12 CFR part 217 (Board), or 12 CFR part 325 (FDIC) to calculate its total risk-weighted assets; (iv) is a subsidiary of a bank holding company or savings and loan holding company that uses the advanced approaches pursuant to 12 CFR part 217 to

time to revise the reporting requirements for the risk-weighted assets portion of Call Report Schedule RC-R by incorporating the standardized approach, consistent with the revised regulatory capital rules.<sup>3</sup> Compared to the current schedule, the proposed risk-weighted assets portion of Schedule RC-R would provide a more detailed breakdown of on-balance sheet asset and off-balance sheet item categories, remove the ratings-based approach from the calculation of risk-weighted assets, reflect alternative risk-weighting approaches not reliant on credit ratings, and include an expanded number of risk-weight categories, consistent with the revised regulatory capital rules. The revisions to the risk-weighted assets portion of Schedule RC-R would take effect as of the March 31, 2015, report date. The proposed changes to Call Report Schedule RC-R are discussed in more detail in section II below.

The agencies are proposing changes to Schedule RC-R in two stages to allow interested parties to better understand the proposed revisions and focus their comments on areas of particular interest. Therefore, for report dates in 2014, all Call Report filers would continue to report risk-weighted assets in the portion of Schedule RC-R that currently contains existing data items 34 through 62 and Memoranda items 1 and 2, but this portion of the schedule would be designated Part II.

Call Report Schedule RC-L collects regulatory data on derivatives and off-balance sheet items. The agencies are proposing at this time to revise the reporting requirements for off-balance sheet exposures related to securities lent and borrowed, consistent with the revised regulatory capital rules. Compared to the current schedule, the proposed changes to Schedule RC-L would require all institutions to report the

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calculate its total risk-weighted assets; or (v) elects to use the advanced approaches to calculate its total risk-weighted assets. See 78 FR 62204 (OCC and Board); 78 FR 55523 (FDIC).

<sup>3</sup> 78 FR 62018 (Oct. 11, 2013) (OCC and Board) and 78 FR 55340 (Sept. 10, 2013) (FDIC)

amount of securities borrowed. At present, institutions include the amount of securities borrowed in the total amount of all other off-balance sheet liabilities if the amount of securities borrowed is more than 10 percent of total bank equity capital and disclose the amount of securities borrowed if that amount is more than 25 percent of total bank equity capital. In addition, the proposed changes to Schedule RC-L would place the line item for securities borrowed immediately after the line item for securities lent.

#### B. Timing of Implementation of the Proposed Reporting Requirements

##### *Call Report Filers*

All Call Report filers, including all advanced approaches institutions that file Call Reports, would continue to report their risk-weighted assets by applying the general risk-based capital rules<sup>4</sup> and using the current template of Schedule RC-R, items 34 through 62 and Memoranda items 1 through 2, for report dates in 2014, and this portion of the schedule has been designated Part II. All institutions would begin using proposed revised Schedule RC-R, Part II, to report their risk-weighted assets under the standardized approach effective for the March 31, 2015, report date.

All Call Report filers would continue to report securities lent (item 6) and securities borrowed (items 9 and 9.a, as appropriate) in current Schedule RC-L for report dates in 2014. These institutions would begin to use the updated line items for securities lent and borrowed in Schedule RC-L effective for the March 31, 2015, report date.

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<sup>4</sup> The agencies' general risk-based capital rules are at 12 CFR part 3, appendix A (national banks); 12 CFR part 167 (federal savings associations); 12 CFR part 208, appendix A (state member banks); 12 CFR part 225, appendix A (bank holding companies); 12 CFR part 325, appendix A (state nonmember banks); and 12 CFR part 390, subpart Z (state savings associations).

### *Advanced Approaches Institutions*

*Reporting risk-weighted assets:* As discussed above, an advanced approaches institution that is a Call Report filer, regardless of whether it is in a parallel run period or has completed a satisfactory parallel run, would complete the current version of the risk-weighted assets portion of Schedule RC-R (which has been designated Part II of the schedule) by applying the general risk-based capital rules for report dates in 2014 and it would complete the proposed revised version of Schedule RC-R, Part II, by applying the standardized approach for report dates beginning in 2015. In addition, an advanced approaches institution that is a Call Report filer and is in a parallel run period would report its risk-weighted assets (as calculated under the general risk-based capital rules for report dates in 2014 and under the standardized approach for report dates beginning in 2015) and its risk-based capital ratios on proposed revised FFIEC 101<sup>5</sup> Schedule A (line items 60 through 63), and on proposed Call Report Schedule RC-R, Part I.B (line item 40.a and line items 41 through 43, Column A). Furthermore, such an institution would apply the revised advanced approaches rules to report its risk-weighted assets and risk-based capital ratios on a confidential basis in proposed revised FFIEC 101 Schedule A (line items 87 through 90).

For report dates beginning in 2014, an advanced approaches banking organization that is a Call Report filer and has completed a satisfactory parallel run would report its advanced approaches risk-weighted assets and risk-based capital ratios on proposed revised FFIEC 101 Schedule A (line items 60 through 63) and on proposed revised Call

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<sup>5</sup> FFIEC 101, Regulatory Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework, OMB Numbers: For the OCC: 1557–0239; for the Board: 7100–0319; and for the FDIC: 3064–0159. For the proposed revised FFIEC 101, *see* 79 FR 2527 (Jan. 14, 2014).

Report Schedule RC-R, Part I.B (line item 40.b and line items 41 through 43, Column B). Part I.B would be designated Part I of Schedule RC-R for report dates beginning in 2015.

### *Initial Reporting*

For the March 31, 2015, report date, institutions may provide reasonable estimates for any new or revised Call Report items initially required to be reported as of that date for which the requested information is not readily available. The specific wording of the captions for the new or revised Call Report data items discussed in this proposal and the numbering of these data items should be regarded as preliminary. Similarly, the text of the draft instructions for proposed revised Schedule RC-R, Part II, and the proposed revisions to Schedule RC-L for securities lent and borrowed should be regarded as preliminary.

## **II. Discussion of Proposed Revised Call Report Schedule RC-R, Part II**

This section describes the proposed changes to Call Report Schedule RC-R to implement the reporting of risk-weighted assets consistent with the revised regulatory capital rules. As previously discussed, effective for the March 31, 2015, report date, the existing risk-weighted assets portion of Schedule RC-R (items 34 through 62 and Memoranda items 1 and 2, which was designated Part II as of the March 31, 2014, report date) would be replaced by a revised Part II that would be completed by all institutions that file the Call Report. Call Report filers should refer to the revised regulatory capital rules and the proposed reporting instructions for revised Schedule RC-R, Part II, for further information.

Proposed revised Part II of Schedule RC-R would be divided into the following sections: (A) on-balance sheet asset categories; (B) derivatives and off-balance sheet

items; (C) totals; and (D) memoranda items for derivatives. A brief description of each of these sections and the corresponding line items is provided below.

*A. Schedule RC-R, Part II, items 1-11: Balance sheet asset categories and securitization exposures*

Proposed line items 1 through 8 reflect on-balance sheet asset categories (excluding those assets within each category that meet the definition of a securitization exposure), similar to the asset categories included in the current version of Schedule RC-R, but the proposed items would capture greater reporting detail. The number of risk-weight categories to which the individual assets in each asset category would be allocated would be expanded consistent with the revised regulatory capital rules. On-balance sheet assets and off-balance sheet items that meet the definition of a securitization exposure would be reported in items 9 and 10, respectively. In addition to the proposed instructions for revised Schedule RC-R, Part II, institutions also should refer to the revised regulatory capital rules to determine the appropriate risk-weight category allocations for each on-balance sheet asset category and the appropriate risk-weight calculations for securitization exposures.

Subject to the separate reporting of securitization exposures from the related on-balance sheet asset category, total on-balance sheet assets are equal to the sum of: (item 1) cash and balances due from depository institutions; securities, excluding securitization exposures, which are composed of (item 2.a) held-to-maturity (HTM) securities and (item 2.b) available-for-sale (AFS) securities; (item 3) federal funds sold and securities purchased under agreements to resell; loans and leases held for sale, which are composed of (item 4.a) residential mortgage exposures, (item 4.b) high volatility commercial real estate (HVCRE) exposures, (item 4.c) exposures past due 90 days or more or on

nonaccrual, and (item 4.d) all other exposures; loans and leases, net of unearned income, which are composed of (item 5.a) residential mortgage exposures, (item 5.b) HVCRE exposures, (item 5.c) exposures past due 90 days or more or on nonaccrual, and (item 5.d) all other exposures; less (item 6) allowance for loan and lease losses; (item 7) trading assets, excluding securitization exposures that receive standardized charges; (item 8) all other assets; and on-balance sheet securitization exposures, which are composed of (item 9.a) HTM securities, (item 9.b) AFS securities, item 9.c) trading assets that receive standardized charges, and (item 9.d) all other on-balance sheet securitization exposures. As mentioned above, off-balance-sheet securitization exposures would be reported in item 10.

Line item 11 would collect total information on the institution's on-balance sheet asset categories and on-balance sheet securitization exposures, including for each risk-weight category, calculated as the sum of items 1 through 9.

*B. Schedule RC-R, Part II, items 12-21: Derivatives and off-balance sheet items*

Proposed line items 12 through 21 pertain to the reporting of derivatives and off-balance sheet items, excluding those that meet the definition of a securitization exposure (which are reported in item 10 as discussed above). Consistent with the revised regulatory capital rules, new line items would be added and the number of risk-weight categories to which the credit equivalent amounts of derivatives and off-balance sheet items would be allocated would be expanded. In addition to the proposed instructions for revised Schedule RC-R, Part II, institutions also should refer to the revised regulatory

capital rules to determine the appropriate risk-weight category allocations for each derivative and off-balance item sheet category.

Derivatives and off-balance sheet items consist of: (item 12) financial standby letters of credit; (item 13) performance standby letters of credit and transaction-related contingent items; (item 14) commercial and similar letters of credit with an original maturity of one year or less; (item 15) retained recourse on small business obligations sold with recourse; (item 16) repo-style transactions (excluding reverse repos), which includes securities borrowed, securities lent, and securities sold under agreements to repurchase; (item 17) all other off-balance sheet liabilities; unused commitments, which is composed of (item 18.a) the unused portion of commitments with an original maturity of one year or less, excluding asset-backed commercial paper (ABCP) conduits, (item 18.b) the unused portion of eligible ABCP liquidity facilities with an original maturity of one year or less, and (item 18.c) the unused portion of commitments and commercial and similar letters of credit that have an original maturity exceeding one year; (item 19) unconditionally cancelable commitments; (item 20) the credit equivalent amount of over-the-counter derivative contracts; and (item 21) the credit equivalent amount of centrally cleared derivative contracts.

*C. Schedule RC-R, Part II, items 22-30: Totals*

Proposed items 22 through 30 apply the risk-weight factors to the exposure amounts reported for assets, derivatives, and off-balance sheet items in items 11 through 21 and calculate an institution's total risk-weighted assets.



Line item 24 would collect information on an institution's risk-weighted assets by risk-weight category. For each column, this is equal to the product of the amount reported (item 22) for total assets, derivatives, and off-balance sheet items by risk weight-category, multiplied by (item 23) the applicable risk-weight factor.

Line item 25 would collect an institution's measurement of risk-weighted assets for purposes of calculating the institution's 1.25 percent of risk-weighted assets limit on the allowance for loan and lease losses.

Line item 26 would collect an institution's standardized market risk-weighted assets, if applicable.

Line item 30 would collect an institution's total risk-weighted assets, calculated as (item 27) risk-weighted assets before deductions for excess allowance of loan and lease losses and allocated transfer risk reserve less (item 28) excess allowance for loan and lease losses, and less (item 29) allocated transfer risk reserve.

*D. Schedule RC-R, Part II, Memorandum items 1-3: Derivatives*

In proposed memorandum items 1 through 3, an institution would report the current credit exposure and notional principal amounts of its derivative contracts. Consistent with the revised regulatory capital rules, existing memorandum item 2 would be revised.

Memorandum item 1 would continue to collect the institution's total current credit exposure amount for all interest rate, foreign exchange rate, gold, credit, commodity,

equity, and other derivative contracts covered by the revised regulatory capital rules after considering applicable legally enforceable bilateral netting agreements.

Memorandum items 2 and 3, respectively, would collect, by remaining maturity and type of contract, the notional principal amounts of the institution's over-the-counter and centrally cleared derivative contracts subject to the revised regulatory capital rules. Data on interest rate, foreign exchange rate and gold, credit (investment grade reference assets), credit (non-investment grade reference assets), equity, precious metals (except gold), and other derivative contracts would be reported separately. At present, institutions report these notional principal amounts and remaining maturities, but without distinguishing between over-the-counter and centrally cleared derivatives. In addition, foreign exchange rate contracts and gold contracts would be combined in Memorandum items 2 and 3, whereas each of these two types of contracts currently is reported separately in Memorandum item 2.

### **III. Discussion of Proposed Changes to Call Report Schedule RC-L**

This section describes the proposed changes to Call Report Schedule RC-L to implement the reporting of securities lent and borrowed consistent with the revised regulatory capital rules. Effective for the March 31, 2015, report date, the existing line item for securities lent (current item 6 of Schedule RC-L) would be renumbered and the existing reporting requirements for securities borrowed (current items 9 and 9.a) would be revised as described below. Call Report filers should refer to the revised regulatory

capital rules and the proposed reporting instructions for revised Schedule RC-L for further information.

In current Schedule RC-L, securities lent and borrowed are reported separately, not in sequential order. Furthermore, all institutions must report securities lent, but securities borrowed are reported and disclosed only if the amount exceeds specified thresholds. Securities borrowed are included in item 9, “All other off-balance sheet liabilities,” if the amount of securities borrowed is more than 10 percent of Schedule RC, item 27.a, “Total bank equity capital.” If the amount of securities borrowed is greater than 25 percent of total bank equity capital, then that amount is reported separately in item 9.a, “Securities borrowed.”

Proposed line item 6.a would be used for reporting securities lent and item 6.b would be used for reporting securities borrowed. The total amount of securities borrowed would be reported in line item 6.b regardless of amount, not just when the amount is more than the 10 percent bank equity capital threshold, as is currently the case.

#### **IV. Scope and Frequency of Reporting**

The proposed regulatory reporting changes to the risk-weighted assets portion of Call Report Schedule RC-R and to the reporting of securities lent and borrowed in Schedule RC-L would apply to all Call Report filers for report dates beginning in 2015. Each reporting entity would continue to submit the applicable quarterly reports on the same due dates as are currently in effect for the reporting entity. In addition, the agencies

expect all reporting entities to meet the existing reporting standards for accuracy and other requirements as currently mandated by their primary federal supervisor.

See section I.B of this notice for a detailed discussion of the timing for the implementation of the proposed reporting changes.

## **V. Request for Comment**

Public comment is requested on all aspects of this joint notice. In particular, do institutions expect that making any specific line items on the proposed revised risk-weighted assets portion of Call Report Schedule RC-R public would cause them competitive or other harm? If so, identify the specific line items and describe in detail the nature of the harm.

Specifically, comments are invited on:

(a) Whether the collections of information that are the subject of this notice are necessary for the proper performance of the agencies' functions, including whether the information has practical utility;

(b) The accuracy of the agencies' estimates of the burden of the information collections as they are proposed to be revised, including the validity of the methodology and assumptions used;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of information collections on respondents, including through the use of automated collection techniques or other forms of information technology; and

- (e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Comments submitted in response to this joint notice will be shared among the agencies and will be summarized or included in the agencies' requests for OMB approval. All comments will become a matter of public record.

Dated: June 16, 2014.

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Stuart Feldstein,  
*Director, Legislative and Regulatory Activities Division,*  
*Office of the Comptroller of the Currency.*

Board of Governors of the Federal Reserve System, June 16, 2014.

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Robert deV. Frierson,  
Secretary of the Board.

Dated at Washington, D.C., this 16 day of June, 2014.

FEDERAL DEPOSIT INSURANCE CORPORATION

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Valerie J. Best,  
Assistant Executive Secretary.

**Billing Codes**

OCC: 4810-33-P 1/3  
Board: 6210-01-P 1/3  
FDIC: 6714-01-P 1/3

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